

1797-1883

SPEECH

OF

CHARLES BROWN, OF PENNSYLVANIA.

In the House of Representatives, March 17, 1842—
On the Loan Bill—against increasing the public debt, and in favor of retrenchment and reform.

Mr. BROWN would ask the gentleman from Kentucky, [Mr. MARSHALL] and the gentleman from Massachusetts [Mr. SALTWATER] if the Whig party were not responsible for the deficiency in the Treasury, intended to be supplied by the bill under consideration, when they would be responsible for the action of the Government? What were the facts? He would read from the message of the President, and the report of the Secretary of the Treasury requiring the loan. The President says:

"I feel it to be my duty to invite your attention to the accompanying communication from the Secretary of the Treasury, in relation to the probable demands which will be made upon the Treasury for the present quarter. It will be seen that, without arresting the requisitions which will be made by the War and Navy Departments for the months of March, April, and May, there will be an unprovided for deficit of upwards of three millions of dollars."

And again:

"The diminution in the revenue arising from the great diminution of duties under what is commonly called the compromise act, necessarily involves the Treasury in embarrassments."

And what does the Secretary of the Treasury say?

"Too aggregate of demands upon the Treasury during the present and the two succeeding months, is estimated, as will be seen by the statement which I have the honor herewith to submit, at \$9,574,040. The immediate means within the command of the Treasurer for meeting these expenditures were, at the commencement of the present month, including the unexpended power to issue Treasury notes, under the act of the 31st of January last, about three millions of dollars. Of this sum, nearly two hundred thousand are in the land offices. A portion of this amount has been paid for land since the first of January last, and is required by law to be paid over to the several States. The greater portion of it is held at points not convenient for ordinary disbursements."

"The net revenue from customs during the present and two succeeding months, is estimated at \$3,250,000. But, after adding this amount to the means now at the command of the Treasury, there will still remain a deficit to be provided for of upwards of three millions for the service of the same period."

Mr. B. said he would read the statement made by the Secretary of the Treasury, Mr. Forward, on which which the present loan was predicated.

And what does this statement show? That the proposed expenditures of the present three months will be

Of which to pay Treasury notes will be

Did not also amount due for salaries from 18th January to 1st March, say

Actual proposed expenditure for the quarter, from March 1st to June 1st

And what is the revenue to meet this expenditure?

Revenue from customs, estimated

Actual deficiency in the revenue for the present quarter to meet the proposed expenditures

Thus showing that the proposed expenditures of this administration are, and will be for the three months from March 1 to June 1 of the present year, more than its revenues, over FOUR MILLIONS OF DOLLARS, instead of three, as the President says. And, pray, who is responsible for this? Is Mr. Van Buren's administration? What debts, or appropriations of the late Democratic Administration are there to make this deficiency? None! none! it is all Whig expenditure—Whig deficiency—and it is but right that the country should know it.

The gentleman from Kentucky tells us, again and again, that Mr. Van Buren's administration left the Government in debt, and any loan that is called for is said to be to pay it off. When will it be paid off? According to Whig logic, never. What are the facts of that debt? Let us turn to the record.

By a note appended to statement A. Doc. No. 2, made to Congress at the extra session, by Mr. Ewing, then Secretary of the Treasury, it is stated—and let me premise by asserting, without fear of contradiction, that, besides these outstanding Treasury notes, Mr. Van Buren's administration left not one dollar of any other kind of public debt:

Treasury notes issued prior to January, 1841 - \$3,873,220 00
Do. do. from January to March 4, 1,110,611 08
Interest on the same - 300,000 00

Total amount of outstanding Treasury notes, March 4, 1841 - 5,283,831 08

From which deduct available means in the Treasury, March 4, 1841, as stated by the Treasurer, Doc. No. 2, page 13 - \$416,803 12
Amount of money in mints to pay within same date - 215,151 68

Total cash on hand, March 4, 1841 - \$861,955 00

Public debt, March 4, 1841 - \$4,421,876 08

The whole debt, therefore, left by Mr. Van Buren's administration, about which so much noise has been made by the Whig party, was only a little over four millions of dollars, and less than this administration propose to run in debt the present quarter. But what is that debt now? Let us again have recourse to the records.

By the report of the Secretary of the Treasury, published March 4, 1842, there were outstanding Treasury notes that day - \$8,539,115 63

Loan—amount received on loan of act of July 1, 1841 - 5,557,476 88

Amount due on civil list, March 1, as above estimated - 700,000 00

14,816,592 51

From which deduct available means in Treasury, March 1, 1842 - 516,260 23

Total public debt for Treasury notes and loan, March 1, 1842 - 14,400,332 28

From which deduct debt for Treasury notes, March 4, 1841 - 4,421,876 08

Debt contracted by the Whig administration in one year - - 9 978 356 20

Thus showing, from their own documents, that this Whig administration, in one year, has added to the public debt near *ten millions of dollars*. And what has caused it? Was it the extravagant appropriations of Mr. Van Buren's administration? No, sir; it was the extravagant and unnecessary expense and appropriations of the extra session—amounting to near *six millions of dollars*. So much for the first year of Whig rule, or misrule. And what do they propose for the first three months of their second year? The Secretary tells us in his report, just read, that a further addition will have to be made to the public debt, during the next three months, of more than *four millions of dollars*. Thus, at the end of the first fifteen months of this Whig administration, the country will be blessed with a debt of *fourteen millions of dollars*. What is to be done beyond the next three months is veiled in impenetrable darkness; for the Whig administration, at either end or both ends of the avenue, seems to be disposed to make no provision, except to borrow money; this is the height and depth of their financial schemes or abilities.

For all this additional debt of the Whig party this first year of their misrule, for that which is proposed to be added to it for the first quarter of their second year, and for all that they may hereafter add to it, the country will hold them responsible.

But we are told, said Mr. B. by the gentleman from Kentucky [Mr. MARSHALL] that the Whig party is divided! That there is a Whig party at this end of the avenue! and a Whig party at the other end of the avenue! that they are broken into fragments, and therefore they are not responsible for the administration of the Government. Is this the excuse they intend to offer to the people of this country for their mal-administration of its affairs? Are their party or personal quarrels to absolve them from their representative responsibilities? Are they to continue to hold the power and not be held accountable for its exercise? I ask these questions because it is time the people should know to whom they are to look for the responsibility. But will the Whig party in this and the other House of Congress say it has not the power to make laws—to reduce the expenditures of the Government, or to increase its revenues? Are they not all powerful at this end of the avenue, in both branches of the Legislature, and can show at least what they would do if they could? Have the Whig party at this end of the avenue any right to charge upon their brother Whig, the President, at the other end, the defeat of any measure they have not sent to him for his approval? But what measure did they propose when they were a united party, that was calculated to stop the expenditures of the Government, and to bring them within its income, or to raise the revenue to meet the expenditures? Did not the Whig party, through its representatives, meet here in May last, clothed with power believed to be omnipotent? Then it was united—brethren from both ends of the avenue met in sweet communion. The party then boasted of

its power! It promised to raise the country from ruin and distress to the highest pinnacle of prosperity—from gloom to glory. It would restore credit and confidence. It would fill every man's house with riches, and every man's heart with gladness. It made its rules, and executed them with a rod of iron. It trampled upon the rights of the minority in these halls, and spurned them as if they were slaves or serfs, with collars on their necks. It put the gag in their mouths, and applied the lash to their backs. It bade them hold their peace, that its voice—the voice of the great, triumphant, and mighty Whig party might speak—might be heard through its acts throughout the land. At the voice of its great leader—he, the Dictator in the other end of the Capitol—the Whigs, little and great, met in the garrets or cellars of this Capitol in grand council, in midnight caucus, and there swore to each other and to their leader to carry his decrees into effect. And they did carry them into effect. The great Whig measures—the Distribution, Bankrupt, and Loan bills, with all their kindred spirits, white and gray—were made, matured, and passed into laws. But where, among them all, was that great measure, every where the Whig siren song, before the election—that measure of retrenchment and reform—that measure that was to reduce the expenditures of the Government—that was to stop the wasteful extravagance of the former Administration, and bring us back to the good old days of Republican economy? Where was that great measure at the extra session? Where is that great measure even now? O, yes! we have had retrenchment—we have, after weeks of debate, and the deep research of a committee, cut off two pages and two clerks; and here we pause, as if

Enough is paid to Priam's royal name,
More than enough to duty and to fame.

But let us examine more closely what has been the course of the Whig party the twelve months it has been in power. The President and his cabinet took possession in March; and Congress met in May last. The reason given for calling a session of Congress at that time was to provide for a deficiency in the Treasury, and how did it provide for it? Let its history tell. This supposed deficiency had been charged upon the extravagances of Mr. Van Buren's Administration. Did this Whig Congress, when it met, stop any of the appropriations made by its predecessor? Did it abolish any of its offices? Or did it lessen their pay or emoluments? O, no! It began and ended the extra session in making appropriation after appropriation, until it had added to the burdens upon the Treasury for the last year between *five and six millions of dollars* more than a Democratic Congress or Administration had thought necessary or proper; and this, too, when its own Whig Secretary of the Treasury (Mr. Ewing) had shown that the accruing revenues were inadequate to meet the existing expenditures. Its own extravagant appropriations and expenditures at the extra session made the deficiency. And was Mr. Van Buren's Administration responsible for these appropriations or expenditures of the extra session? When did Mr. Van Buren's administration end? Or will it never end, in the estimation of the Whig party? I will not ask where the Democratic administration of the

Government will end, for I think, when the people get clear of the present domination of the Whig party, there will be an end of it, and the Democratic party will again and forever be allowed to administer the Government, if they do it honestly and faithfully. But I ask again, what did the Whig party, while it was united, or when it was divided, do during the extra session, to reduce the expenses of the Government, or to raise its revenues to meet its expenses? Or what has it done during this session, now three months and a half gone? Before the election, every where did we hear from Whig orators, in and out of Congress, of extravagant expenditures; but when did we hear that they were too low? When was it said that our revenues were too small, or that they ought to be increased? Was it made a charge against Mr. Van Buren's Administration that the people were not taxed enough? Was the cry then, raise your revenue! raise your revenue! tax the people! tax the people! borrow money, borrow money, to sustain the Government? O no. It was then, reduce your expenses! reduce your expenses! And he called on the Whig party, as they had called on each other, to redeem their pledges! to begin now; not to cut off one or two pages of clerks, but on a broad principle of reform cut off all and every appropriation not imperiously demanded for the immediate wants of the country. Dispense with all unnecessary officers and agents, civil, military, or diplomatic, and cut down all exorbitant salaries. If this shall be done in good faith, there will be no need of loans, of such miserable expedients of getting money, nor of taxing the people more than they now are. But if, after a rigid examination into all the appropriations and a curtailment of expenditures, it shall appear that still the revenue is inadequate to meet the expenses, then it will be proper to raise the former to meet the latter. In view of this deficiency, what ought to have been done? Was it not the duty of those in power to have arrested the reduction of the duties on foreign merchandise? Ought they not, at the extra session, to have stopped the reduction of duties that took place on the first of January last? And ought they not now to arrest the further reduction that will take place in June next?—and yet no Whig has proposed any such measure. It is to these reductions—this operation of the compromise act—that the President says we owe the present embarrassment of the Treasury! And was the compromise act a Democratic measure? Who claimed the honor and glory of its passage? Was it not claimed by the Whig party—made by the then Whig leaders, Mr. CLAY and others? And if they were so anxious then for the honor of its paternity, what right have they now when it produces embarrassment, to throw it on the shoulders of the late Administration or its supporters? No, sir; no! I tell the gentleman from Kentucky [Mr. MARSHALL] and the gentleman from Massachusetts [Mr. SALTONSTALL] that they cannot lay at our door any of the present embarrassment of the Government. Were we not told during the extra session, as a reason for the large appropriations then made, that the Van Buren party, during the last year of its administration, had been derelict, because it had appropriated too

little money? Now it is said its extravagance has brought on the embarrassments of the Government! That it did curtail its expenditures the last year of its existence, is true; and why? Because the revenues had contracted, and were contracting; and if it had continued in power, it would have been its duty, and it would have performed the duty, to contract its expenditures more and more until they would have been within its revenues. That is what the Democratic Administration did do, and what they would have done, and what the Whig Administration ought to have done, and ought to do now, if it had any regard to the promises it made to the people before the election, or to the good of the country. The course pursued by the party now in power, Mr. B. said, would destroy the credit of any country. What had they done? They had not only gone on to increase the expenses of the Government, but they had given away the whole of the public domain, had suffered the revenues from customs to be diminished, and had borrowed millions upon millions to make up the deficiency. What credit could stand this? Who would loan money to an Administration which had neither the honesty nor the firmness to bring down its expenses, nor to raise its revenue? What honest farmer in the country would, when his income decreased, increase his expenditures, and borrow money to build large houses, to pay extra servants, or to pay for luxuries that he could do without? And what farmer could borrow money on any terms, who would thus spend more than his income, and deed away to his sons all his lands?

But we are told by the gentleman from Kentucky [Mr. MARSHALL] that the proceeds of the public lands are necessary to sustain State credit. Is it so? Did State credit rise when the distribution bill passed? What State loan rose one per cent. or one quarter of one per cent.? I would like the gentleman to tell me, for I saw no such rise; on the contrary, did they not fall immediately after? and have they not continued to fall in value? and would State loans fall any faster or lower if these lands were restored to the General Government now? If any of the States cannot pay their debts without these lands, they cannot pay with them. But while their distribution had done nothing to raise State credit, their abstraction from the general Treasury had impaired the credit of the Federal Government. It had not only lessened its securities, but it had lessened confidence in its wisdom and integrity. We have been told that the sum realized from the public lands is too small, too pitiful, to be of any benefit to the national credit; that we have only realized thus far some two hundred thousand dollars. Small as may be the income now derived from them, their ultimate and sure value is great—great enough to sustain loans, not of millions only, but of hundreds of millions of dollars. Let the proceeds of these lands be restored to the Treasury again, and let us curtail our expenditures, and arrest the further reduction of duties, and we will soon find the credit of the Government as good as it ever was. We will not then be obliged to sell our loans for any price they will bring, as is proposed by the amendment now under consideration.

This we will have to do sooner or later. Nobody will loan us money at any price unless we do. Then why not do it now? Why put it off from day to day and month to month? At the extra session we borrowed millions—a month ago we borrowed millions—now we are borrowing millions more—and three months hence we will have to borrow millions again. Our loans have not been and will not be taken—our Treasury notes are depreciating, and will depreciate further—where and when is this state of things to end? For one, I will go no further—I will stop now—I will show to the people that there is maladministration somewhere; and if they shall think it was all caused by Mr. Van Buren's administration, as the gentleman from Kentucky says, let them sink that party still lower; but if it shall appear that it is owing to the imbecility of the party now in power, as I have no doubt the people will see—it is, they will, at the earliest day, send Representatives into these halls that will take the responsibility to do their duty, and rescue the Government from its downward tendency.

Sir, I am ready and willing to sustain the Government in a proper course, but I will vote for no loans; and if my refusal stops the wheels of Government, until they can be made to run more smoothly, they may stop. I am willing to take the responsibility of stopping all until we can begin and go on in the right way. I did not sympathize with the Government in the appeal for the last loan—I do not sympathize with it now. Unless something shall be done to make the revenues and expenditures more nearly meet, these appeals for a loans will come upon us faster and thicker; and we may as well resist them first as last. Had we refused to borrow at first, and commenced the work of retrenching expenditures, or of raising revenue, or both, we would not now need the present loan, nor would the credit of the Government be discredited. To my mind, the course to be pursued is, for the Committee on Public Expenditures and the Committee on Retrenchment immediately to bring in bills to dispense with all needless officers and agents, reduce all exorbitant salaries, and to stop appropriations for all and every thing that can be postponed, until the Treasury is in a more prosperous condition, and let us go to work honestly and sincerely on these subjects. When these bills are brought in, and it will be in order to show what ought to be done to retrench, and we can bring the matter to a vote, I pledge myself to show where large sums of money can be saved and I will go with Whigs or Democrats in saving them. Let us do this, and we need not talk about raising our credit by long terms of loans, or short terms of loans, high interest or low interest, for then we will want no loans, we will want no credit. The Democratic party have been charged with opposition to the credit system. For one, I am opposed to this kind of a credit system—it is wrong in principle, and expensive, and degrading in practice. We have been called the "perish-credit" party, but the country can now see under the administration of General Jackson the whole debt of the Government was paid off. Under Mr. Van Bu-

ren's administration, up to the last hour of its existence, a loan could have been obtained at five per cent. and mostly at a premium. Treasury notes, then issued at five per cent. interest, commanded the specie everywhere, and at some places were worth more than specie, such was the state of the credit of the Government under Democratic Administration—then falsely called the "perish-credit" party. But what is it now under Whig Administration—the great supporters of the "credit system" party? Their loans will not be taken at six per cent. if taken at any price. The Treasury notes they issue, though bearing six per cent. interest, are two per cent. below par; and though based upon the whole property, and revenue, and faith of the nation, cannot be exchanged here, at its capital, for a note of a petty New England bank with a capital of one hundred thousand dollars, without paying a difference of two per cent. for the exchange. The people of the United States have eyes, and can see and understand, and they will and do see, that the best friends of the credit system are those who use it the least.

There is one promise the Whig party made, Mr. B. said, that this course of legislation was a fair way to realize, and the only one it was likely to realize; that there should be no two currencies, one for the people, and another for the office holders. There will soon be, he said, but one currency for all, and that a very depreciated one. Treasury notes, in which public officers and Government dues are now paid, are two per cent. below par, and they will soon be as low as the poorest bank notes in the country; if we go on as we have done. All we have done has tended, not to get the people a better currency, but to make for the Government a worse one.

The gentleman from Kentucky [Mr. MARSHALL] tells us all our efforts to raise the credit of the Government will fail, unless we establish a fiscal agent to manage its financial concerns. Has it come to this, said Mr. B. that the Government is unable to manage its financial affairs without some machine or agent of its own creation? The people's Government—their assembled representative wisdom—their Congress, and their President, cannot sustain the credit of the Government! Tell it out in Gath—publish it not in the streets of Ascalon, that we have come to this. We, who have at our command, as the gentleman says, the whole labor and capital of the country—who can exact from the sweat of the brow of the honest yeomanry of the country—from the labor and property of the whole American people—of those too, who, he says, are ready and willing and anxious to give the Government their labor and property to support its credit—that we, who can command all this, are not able to sustain the credit of the Government without a "fiscal agent" to do it for us. The gentleman cannot be serious in this; but if he be, let me tell him the day for such delusion has passed away. The fiscal agents, like the hard cider and log cabin delusions, have had their day—they are now all dead and dying, and it will require eloquence more powerful than that of the gentleman from Kentucky to give either of them vitality again.